

Method of Calculating Premium Payment to Cover the Risk Attributable to Insureds Surviving a
Specified Period

1 ABSTRACT

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3 Survival risk insurance is a method of transferring the financial consequences associated with the
4 risk that deaths occurring within a specified period of time in a selected group of insured lives
5 will be less in number than the expected number of deaths or less in amount than the expected
6 amount of death benefits paid. More particularly, one entity, the Coverage Recipient, can
7 transfer a financial risk that the actual number of deaths or the actual amount of death benefits
8 paid during a specified period relative to a selected group of insured lives will be less than the
9 expected deaths or the expected amount of death benefits paid to another entity, the Coverage
10 Provider, for the payment of an appropriate premium based on the method of this invention.